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Acting Chief, Economic Research Area, ORR

18 August 1959

Chief, Industrial Division, ORR

Review of PNIO's

1. Complying with your request that we review the PNIO's we submit the following comments:

a. FIRST PRIORITY OBJECTIVES

(1) We have no serious objections to I.a. through I.d. We feel, however, that first priority objectives should not be limited to those dealing with Soviet or Communist Chinese intentions with respect to initiating hostilities, but should be expanded to include Soviet international objectives and courses of action short of war which are designed to orient non-Bloc countries towards the Bloc (presently contained in II.b.). Certainly Soviet subversion and other courses of action short of an all-out war meet first priority criteria in that they would occasion the "gravest consequences to the U.S."

(2) I.e. does not appear to be of the same order of priority as I.a. through I.d. Hostile intentions and capabilities which might involve space vehicles are subsumed in I.a. and I.c.; other aspects of Soviet utilization of space would be covered by II.c.

(3) Rereading the criteria for determining first priority national intelligence objectives, we fail to find any first priority objectives which would permit the U.S. "to stimulate policies or actions of foreign states (or actions within them) which could occasion greatest benefit to the U.S." (Annex A, page 7)

b. SECOND PRIORITY OBJECTIVES

(1) II.b. should be changed to read as follows:

"The strengths and weaknesses of the Soviet and European Satellite economies with particular reference to their ability to produce and support advance weapons systems; the effect of current economic development programs upon the economic, political, and military strength of the Soviet Bloc; the capabilities and vulnerabilities of the Soviet and Satellite internal communications system."

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SUBJECT: Review of PRIO's

(2) We question whether objectives II.g., II.n., II.o., and II.p. are of equal priority. Also, we recommend that II.g. be quietly retired.

2. We have tried to limit our comments to those objectives which are most closely related to the problems of the Economic Research Area of ORR. However in reading DCID 1/2, 1/3 and Annex A thereto, we doubt seriously if simply rewriting some of the objectives or dropping a few others can really improve the condition of the present second priority objectives. We recommend, therefore, if it is deemed worthwhile, that the division chiefs seriously study these objectives and meet to discuss all the problems involved in formulating a set of meaningful and effective objectives.

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